

**New Shoreham Town Council Meeting
Town Hall, Old Town Road, Block Island
Monday, January 7, 2013
7:00 p.m.**

Present: First Warden Kimberley H. Gaffett, Second Warden Kenneth C. Lacoste, Town Councilor Sean McGarry, Town Councilor Norris Pike, Town Councilor Christopher Warfel. Also present was Town Manager Nancy O. Dodge. Town Clerk Fiona Fitzpatrick was present to take the minutes of the meeting.

First Warden Kimberley H. Gaffett called the meeting to order at 7:00 p.m.

Warden's Report

First Warden Gaffett reported the deadline for comment to the Army Corps of Engineers on Deepwater Wind's project was extended to February 10, 2013.

Public Input

There was no input from the public.

1. Introduction of Patrolman Christopher Rich

NSPD Chief Vincent Carlone introduced Patrolman Christopher Rich. Mr. Rich was sworn in by the Town Clerk and received a warm round of applause from the many community members present.

2. Receive and act on TNS Police Department monthly reports: October and November 2012

First Warden Gaffett moved to receive the Police Department reports for October and November, 2012, seconded by Second Warden Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

3. Act on management agreement with Block Island Health Services Board

The agreement was discussed and revised at several meetings. The term of the agreement was the only item unresolved in the current draft. Mr. McGarry suggested one year, Mr. Pike said he had no problem with the contract but he anticipates the membership may initiate changes in the board construction or membership and suggested a six month term until June 1, 2013 which would give the membership the time to review the executive committees' decisions and actions, including the dismissal of Monty Stover. Ms. Gaffett said she hoped for a three year term, but she will settle for one year to allow it to move forward.

Ms. Gaffett moved to continue the agreement as drafted for one year to January 1, 2014. Seconded by Mr. Warfel.

Discussion: Mr. McGarry said he believes the community and board must support each other and move forward for one year. Mr. Lacoste said the agreement contains many changes he supports, he sees a one year term as a minimum. He appreciates the essential work of the medical center and knows it needs to continue. Mr. Warfel said he believes six months is too short administratively, he believes the new agreement is conducive to closer monitoring.

Ayes: 4 (Gaffett, Lacoste, McGarry, Warfel)

Nays: 1 (Pike)

The next step is to forward the agreement to the Board of Health Services for possible ratification.

4. Receive and act on letter from Margaret Berlin re: transfer of Taxi license

Long time taxi licensee Oscar Berlin recently passed away. His widow Mitzi requested the license be transferred to her name. The Commission on Motor Vehicles for Hire met and voted to recommend the Town Council allow the transfer.

Second Warden Lacoste moved to transfer Oscar Berlin's taxi license to Margaret Berlin, known as Mitzi, seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

5. Report by Town Councilman McGarry on Production tax credits

Mr. McGarry said he wanted the Council to discuss energy production tax credits (PTC) before Congress voted to extend them January 1. He wrote to Senators Reed and Whitehouse and Representative Langevin to oppose the continuation of the program he described as 12 billion dollars of pork. From the audience Deepwater's Director of Block Island Operations Bryan Wilson spoke in support of PTCs and said the program was very important to developing alternative energy solutions. Henry duPont spoke in support of the program and pointed out the credit was for completed not conceptual projects. Councilor Warfel also spoke in support of the program.

No action was taken.

6. Discuss Town Councilman McGarry request for action by Electric Utility Task Group re:

- **determine what role and at what cost BIPCO will play in a post cable scenario**

Councilor McGarry wants the Electric Utility Task Group (EUTG) to report back to the Town Council regarding the Block Island Power Company's (BIPCo) function and costs and backup requirements will be if an electric cable to the mainland is installed, whether or not it is linked to a windfarm.

- **estimation of costs for feasibility study and cost analysis of a stand-alone cable**

For budgeting purposes, Councilor McGarry wants the EUTG to report back with the cost of a feasibility study and cost analysis for an electric cable to the mainland not connected to a windfarm. He would like to know the cost of a study that includes engineering, geology, environmental impact, hook up options, and federal, state or other funding sources.

Councilor Warfel suggested the EUTG also be requested to look at local alternate generation including a cost analysis of a plan for developing indigenous on-Island renewable and conservation sources such as land based wind, solar, and small scale hydro, and the possibility of creating a multifaceted hybrid system with all operations in parallel to the distribution system,

including a capacity plan for commercial draw. Asked about the loss of opportunity for fiber optics without a cable, Mr. Warfel suggested a viable alternative to a fiberoptic cable would be a Town coop for highspeed internet via microwave technology.

Mr. Warfel asked about progress switching to more energy efficient street lights. BIPCo has installed three energy efficient street light heads and is checking their operation.

Mr. McGarry moved that the Town Council direct the EUTG to investigate the cost of a feasibility and cost of study analysis for a stand-alone cable for budget purpose, and also to investigate what role BIPCo will plan in a post-cable scenario when the cable is installed. The motion was seconded by Mr. Pike.

Mr. Warfel moved to amend the motion to add that the EUTG also investigate local alternate generation including a cost analysis of a plan for developing indigenous on-Island renewable and conservation sources such as land based wind, solar, and small scale hydro, and the possibility of creating a multifaceted hybrid system with all operations in parallel to the distribution system, including a capacity plan for commercial draw. The amendment was seconded by First Warden Gaffett.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

The amended motion was called: the Town Council direct the EUTG to investigate the cost of a feasibility and cost of study analysis for a stand-alone cable for budget purpose, and also to investigate what role BIPCo will plan in a post-cable scenario when the cable is installed and also to investigate local alternate generation including a cost analysis of a plan for developing indigenous on-Island renewable and conservation sources such as land based wind, solar, and small scale hydro, and the possibility of creating a multifaceted hybrid system with all operations in parallel to the distribution system, including a capacity plan for commercial draw.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

7. Receive and act on Town Councilman Warfel letter re: use of Weldon's Way by moped businesses

Councilor Warfel read the letter which is attached to these minutes. He feels using Weldon's Way to train people renting mopeds is dangerous and a liability for the Town. He wants the Town to notify the moped dealers that they must stop this summer. Mr. Pike agrees but thinks the operators may need a year to adjust. Ms. Gaffett said she agrees in principal but she has not seen a practical alternative. It is important to train the drivers. All agreed it would help traffic flow. Mr. McGarry said the traffic congestion is a function of four bike and moped rental operations in the same small area.

Chief Carlone was present in the audience. He agreed it is in the Town's interest to continue the training and suggested a meeting with the moped dealers, the Town Manager and Council to discuss the situation and alternatives. Discussion ensued.

First Warden Gaffett moved to ask Police Chief Carlone and Councilor Warfel to work with the moped dealers for the improvement of the use and non-use of Weldon's Way. Motion was seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

8.

8. Act on Annual appointments: Boards, Committees, Commissions and individual TNS appointees

Ms. Gaffett moved to reappoint the following Town Officials for one year, to a term ending in December 2013: Alarm Officer Donald Thimble, Alarm Officer Marc Tillson, Care of Cemetery Town Council, Corder of Wood Stanton Geer, CRMC Representative Michael Ballard, Director of Public Welfare Mary Donnelly, Fence Viewer Nancy Greenaway, Field Driver A. Joseph Sprague, Packer of Fish Gary Hall, Sealer of Weights & Measures Chris Blane, Cemetery Sexton Michael Shea, and Tree Warden Ned Philips, Jr. Motion was seconded by Councilor McGarry.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

Mr. McGarry moved to reappoint Auctioneer Lewis Gaffett for one year to a term ending in December 2013, seconded by Mr. Pike.

Ayes: 3 (Lacoste, Pike, Warfel) Nays: 0

Recuse: 1 (Gaffett)

Abstain: 1 (McGarry)

Mr. McGarry said the vote was illegal and he would abstain.

Ms. Gaffett moved to reappoint Bond Counsel Ellen Corneau for one year to a term ending in December 2013, seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

Town Manager Nancy Dodge recommended the reappointment of Harbormaster Steve Land.

First Warden Gaffett moved to accept the recommendation of the Town Manager and reappoint Harbormaster Stephen Land to a one year term ending in December 2013. Seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, McGarry, Pike) Nays: 1 (Warfel)

Ms. Gaffett move to reappoint Katherine Merolla Town Solicitor and Probate Judge for one year and to reappoint Steven Merolla the Town Solicitor for prosecutions for one year. Seconded by Mr. Lacoste.

The Town Solicitor serves at the pleasure of the Town Council without a contract. The cost of charter airplane flights related to the appointment was discussed.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel)

Nays: 0

Ms. Gaffett, seconded by Norris Pike, moved to reappoint Town Manager Nancy Dodge for one year.

The Town Manager serves at the pleasure of the Town Council, her current contract stands until renewed.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

First Warden Kimberley Gaffett moved to reappoint Donald Packer Town Solicitor for land use, seconded by Mr. Warfel.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to appoint Chris Warfel the Town Council's representative on the Washington County Regional Planning Council for two years, seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, McGarry, Pike) Nays: 0 Abstain: 1 (Warfel)

Town Manager Nancy Dodge recommended the reappointment of Vincent Carlone, Peter Gempp and William McCombe as co-Directors of Emergency Management for one year.

Ms. Gaffett moved to approve the Town Manager's appointments of Vincent Carlone, Peter Gempp and William McCombe as co-Directors of Emergency Management, seconded by Mr. Pike.

Discussion of FEMA grant application.

Ayes: 4 (Gaffett, Lacoste, Pike, McGarry) Nays: 1 (Warfel)

Ms. Gaffett moved to appoint Rescue Captain Bryan Wilson, Fire Chief Tristan Payne, and Co-Directors of Emergency Management Vincent Carlone, Peter Gempp and William McCombe to the Emergency Management Task Force for one year terms. Motion seconded by Mr. Lacoste.

The board's composition is ex-officio and mandated by law.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint members of the Block Island Housing Board to two year terms as follows: Millie McGinnes as "at large" member, Patricia Murphy as a member of a housing advocacy group, Cynthia Pappas as a real estate representative. Motion was seconded by Mr. Pike.

Mr. McGarry said he would vote against the reappointment of any individual who did not attend at least 75% of a board's meetings.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to appoint Block Island Conservancy board member Rosemary Tobin as the conservation representative to the Housing Board, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint Bradford Marthens and Vincent McCombe to three year terms on the Commission on Motor Vehicles for Hire seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Mr. Pike moved to reappoint John Hopf and Donald Littlefield to three year terms on the Conservation Commission seconded by Mr. Lacoste.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to reappoint Rebecca Ballard, Paul Deane, Sara McGinnes and Ruth Perfido to one year terms on the Deer Task Force. Motion seconded by Mr. Lacoste.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to appoint Lisa Sprague and William McKernan to one year terms on the Deer Task Force in place of retiring members Chris Blane and Mary Sue Record. Motion seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint William Penn, Everett Shorey, John Warfel and Barbara MacMullan to the Electric Utility Task Group for one year terms, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Mr. McGarry said he tried to find people with opposing views who were willing to serve on the Group but he could not.

Ms. Gaffett moved, seconded by Mr. McGarry, to reappoint Carl Kaufmann, Robert Littlefield and Arlene Tunney to three year terms on the Harbors Committee and to reappoint member Edwin Merritt to a one year term as an alternate on the Committee.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to reappoint Mark Vaillancourt and Martha Ball to three year terms on the Historic District Commission, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint Peter Gibbons and Shirleyne Gobern to three year terms on the Juvenile Hearing Review Board, seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved, seconded by Mr. Pike, to reappoint Charlotte Herring and John Warfel to three year terms on the Library Board of Trustees.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Mr. Pike moved, seconded by Ms. Gaffett, to reappoint John Cullen, Bradford Marthens and Logan Mott Chase to two year terms on the New Shoreham Tourism Council.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint John Hopf, Cara Rostkowski and William Vallee to the North Light Commission for three year terms, seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to accept the resignation of Rebecca Ballard from the Old Harbor Task Force, and to send a letter of thanks for her service, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint Jessie Edwards, Julie Fuller, Kathy Szabo, Arlene Tunney and Margaret Comings to one year terms on the Old Harbor Task Force, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to appoint David Graham to serve out Becky Ballard's unexpired term, and to appoint Karen Duale to a three year term made available by Fraser Lang's retirement from the Old Harbor Task Force, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Councilor Pike is retiring from the Planning Board.

Ms. Gaffett moved, seconded by Mr. Warfel, to reappoint Mary Anderson and Socha Cohen to five year terms on the Planning Board.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Mr. Lacoste moved, seconded by Mr. Warfel, to appoint Arlene Tunney to serve out Norris Pike's unexpired term on the Planning Board.

Ayes: 2 (Lacoste, McGarry) Nays: 3 (Gaffett, Pike, Warfel)

Mr. Pike moved to appoint John Spier to serve out Norris Pike's unexpired term on the Planning Board. Motion seconded by Ms. Gaffett.

Ayes: 3 (Gaffett, Pike, Warfel) Nays: 1 (Lacoste) Abstain: 1 (McGarry)

Mr. Spier is Ms. Gaffett's brother in law. Mr. McGarry said he abstained from the vote because it was illegal. Ms. Gaffett said she participated because she sees no conflict; the position offers no financial gain or loss for Mr. Spier or her.

Ms. Gaffett moved to reappoint Sarah Sue Deane, Gail Heinz and Ann Hall to two year terms on the Recreation Board and to reappoint first alternate Christopher Willi and second alternate Paul Henshaw to one year terms on the Board. Motion was seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, Pike, Warfel) Nays: 1 (McGarry)

Ms. Gaffett moved to reappoint Sandra Hopf and Linda Spak to three year terms on the Senior Advisory Committee, seconded by Mr. Warfel.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett noted the retirement of Betsy Theve from the Senior Advisory Committee. The Clerk will send a letter of thanks and to advertise the vacancy.

Mr. Lacoste moved to reappoint Hermann Gempp and Lois Bendokas to three year terms on the Shellfish Commission, seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, McGarry, Pike) Nays: 0 Recuse: 1 (Warfel)

Mr. Warfel recused because he has an aquaculture business. Discussion of communication among boards. At their next work session the Council will discuss whether they will return to the practice of formally attending a meeting of each board and committee annually.

Ms. Gaffett noted the retirement of first alternate William Comings from the Zoning Board. He will be sent a letter of thanks.

Ms. Gaffett moved to appoint alternate Robert Lamoureaux to the Zoning Board for a one year term, and to appoint Susan Bush an alternate to the Zoning Board to serve a one year term. Motion seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to reappoint Nancy Cole to a one-year term as the Town Council's representative on the Block Island Early Learning Center Board of Directors. The motion was seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Mr. Pike moved to appoint Peter Saxon to a one year term as the Town representative on the Block Island Health Services Board of Directors, seconded by Mr. McGarry.

Ayes: 1 (Pike) Nays: 4 (Gaffett, McGarry, Lacoste, Warfel)

There was discussion regarding the importance of having a Council member on the Board at this time.

Ms. Gaffett moved to appoint Ken Lacoste to a one year term as the Town representative on the Block Island Health Services Board of Directors, seconded by Mr. Warfel.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett noted Millie McGinnes' retirement from the BIHSBOD and moved, seconded by Mr. Lacoste, that a letter of thanks be sent to her.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

At 9:30 Ms. Gaffett called a five minutes recess. The meeting reconvened at 9:35.

9. Receive and act on TNS Board of Assessors letter re: property roll abatements

Ms. Gaffett moved to accept the recommendation of the Board of Assessors and approve the property tax abatements as received, seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

10. Minutes: December 3, 2012 with auditors; December 12, 2012; December 18, 2012

Ms. Gaffett moved to approve the minutes of December 12, 2012 seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to approve the minutes of December 18, 2012 as amended, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

**11. Discuss and act on TNS response to DPUC re: Block Island Power Company
Application for Approval of Financing in the amount of \$566,400 (May be held in
closed session pursuant to Rhode Island General Laws 42-46-5 (a)(2) for sessions
pertaining to litigation)**

The discussion was held in open session with the Town's consultants Richard La Capra and Everett Shorey.

Mr. La Capra said Block Island Power Company has applied to take on debt to buy the generator they have been testing. He said it is a more reliable engine, field tested and with a service contract. The new engine will support the Island whether or not the cable goes forward, it is a

reasonable planning decision under the elements of uncertainty the company is facing.
Discussion ensued.

There was related discussion of the role of the Division (DPUC) and the Commission (PUC). Mr. Shorey said Commission is regulatory body which approves rate filings. The Division serves two roles: advisory staff to Commission and a few things they can approve or disapprove on their own, such as this taking on of debt. It is a small scope. Rate design is not a Division issue. A rate design that includes conservation or other would be an issue for the Commission and cannot be added to the proceeding before the Division.

Ms. Gaffett moved that the Town will not be formally object to the finance filing of Block Island Power Company to purchase new generator #26, seconded by Mr. Pike.

Ayes: 4 (Gaffett, Lacoste, McGarry, Pike) Nays: 1 (Warfel)

Mr. Warfel said he did not enough information at this time to support the motion.

12. Discuss and act on TNS response, planning, and strategy re: Interstate Navigation Rate Change Application [PUC Docket 4373] (May be held in closed session pursuant to Rhode Island General Laws 42-46-5 (a)(2) for sessions pertaining to litigation)

Mr. Warfel moved, seconded by Mr. Lacoste, to enter closed session pursuant to Rhode Island General Laws 42-46-5 (a)(2) for sessions pertaining to litigation for the discussion of the Town's response, planning, and strategy re: Interstate Navigation Rate Change Application [PUC Docket 4373].

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

The Town Council entered into the closed session with consultants Everett Shoreham and Richard La Capra, Town Manager Dodge and Town Clerk Fitzpatrick present. Discussion ensued.

At 11:20, Ms. Gaffett moved to come out of closed session, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett moved to seal the closed session minutes, seconded by Mr. Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Ms. Gaffett reported one motion was made during the closed session, as follows:

Ms. Gaffett moved, seconded by Mr. Lacoste, to authorize Richard La Capra and Everett Shorey to contact Interstate to open a discussion for negotiation incorporating the four points:

- Allow Interstate to earn their rate of return by going to a revenue cap rather than using a fixed rate schedule
- Consolidate the fast ferries with the traditional ferry into the rate case
- Retain the commuter card and rate

- Maintain the current schedule as the minimum off-season schedule

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

At 11:30 Mr. Lacoste moved to adjourn, seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Minutes approved January 16, 2013

Minutes reconsidered and amended February 20, 2013

Fiona Fitzpatrick
Town Clerk